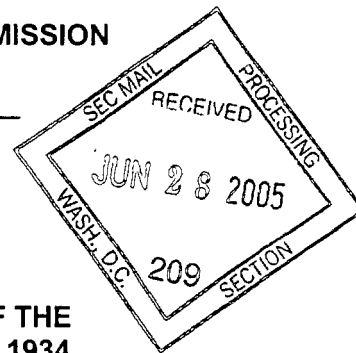


UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

FORM 11-K

ANNUAL REPORT  
PURSUANT TO SECTION 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934



(Mark One):

☒ ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934  
For the plan year ended December 31, 2004

OR

☐ TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934  
For the transition period from \_\_\_\_\_ to \_\_\_\_\_



05059032

Commission file number 1-9576

- A. Full title of the plan and the address of the plan, if different from that of the issuer named below:

OWENS-ILLINOIS SPECIALTY PRODUCTS PUERTO RICO, INC.  
LONG-TERM SAVINGS PLAN

- B. Name of issuer of the securities held pursuant to the plan and the address of its principal executive office:

OWENS-ILLINOIS, INC.  
One Seagate  
Toledo, Ohio 43666

PROCESSED  
JUN 29 2005  
THOMSON  
FINANCIAL

## REQUIRED INFORMATION

Financial Statements and Exhibits as follows:

1. Financial statements

- \* Report of Independent Registered Public Accounting Firm
- \* Statements of Net Assets Available for Benefits as of December 31, 2004 and December 31, 2003
- \* Statements of Changes in Net Assets Available for Benefits, with Fund Information for the years ended December 31, 2004 and December 31, 2003
- \* Notes to Financial Statements

Schedules

- Schedule H, Line 4i -- Schedule of Assets (Held at End of Year)
- Schedule H, Line 4j -- Schedule of Reportable Transactions

2. Exhibits:

Exhibit 23 Consent of Independent Registered Public Accounting Firm

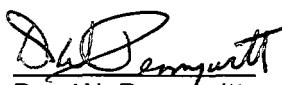
## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Administrator of the Plan has duly caused this annual report to be signed on its behalf by the undersigned, hereunto duly authorized.

OWENS-ILLINOIS SPECIALTY PRODUCTS PUERTO RICO, INC.  
LONG-TERM SAVINGS PLAN

Dated: June 27, 2005

By: Owens-Illinois, Inc.  
Employee Benefits Committee  
Plan Administrator

By:   
Dan W. Pennywitt  
Chairman

Audited Financial Statements  
and Schedules

**Owens-Illinois Specialty Products Puerto Rico,  
Inc. Long-Term Savings Plan**

*Years ended December 31, 2004 and 2003  
with Report of Independent Registered Public Accounting Firm*

Owens-Illinois Specialty Products Puerto Rico, Inc.  
Long-Term Savings Plan

Audited Financial Statements  
and Schedules

Years ended December 31, 2004 and 2003

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## Report of Independent Registered Public Accounting Firm

Owens-Illinois, Inc. Employee Benefits Committee  
Owens-Illinois Specialty Products Puerto Rico, Inc. Long-Term Savings Plan

We have audited the accompanying statements of net assets available for benefits of the Owens-Illinois Specialty Products Puerto Rico, Inc. Long-Term Savings Plan as of December 31, 2004 and 2003 and the related statements of changes in net assets available for benefits for the years then ended. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. We were not engaged to perform an audit of the Plan's internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan at December 31, 2004 and 2003, and the changes in its net assets available for benefits for the years then ended, in conformity with U.S. generally accepted accounting principles.

Our audits were performed for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying supplemental schedules of assets (held at end of year) as of December 31, 2004 and reportable transactions for the year then ended, are presented for purposes of additional analysis and are not a required part of the financial statements but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. These supplemental schedules are the responsibility of the Plan's management. The supplemental schedules have been subjected to the auditing procedures applied in our audits of the financial statements and, in our opinion, are fairly stated in all material respects in relation to the financial statements taken as a whole.



June 24, 2005

Owens-Illinois Specialty Products Puerto Rico, Inc.  
Long-Term Savings Plan

Statement of Net Assets Available for Benefits

December 31, 2004

|                                     | Participant-<br>Directed<br>Funds | Owens-Illinois<br>Company<br>Stock<br>Fund | Total             |
|-------------------------------------|-----------------------------------|--|-------------------|
| Investments in trust, at fair value | \$ 229,640                        | \$ 445,775                                 | \$ 675,415        |
| Participant loans                   | 95,178                            |  | 95,178            |
| Contributions receivable            | 6,420                             | 5,061                                      | 11,481            |
| Payments in transit                 | (1,000)                           | (433)                                      | (1,433)           |
| Loan Repayment Receivable           | 4,339                             | 1,606                                      | 5,945             |
| Cash, non-interest bearing          | 47,173                            | 3,704                                      | 50,877            |
| Transfers pending                   | <u>6,737</u>                      | <u>(6,737)</u>                             | <u>-</u>          |
| Net assets available for benefits   | <u>\$ 388,487</u>                 | <u>\$ 448,976</u>                          | <u>\$ 837,463</u> |

*The accompanying notes are an integral part of the financial statements.*

Owens-Illinois Specialty Products Puerto Rico, Inc.  
Long-Term Savings Plan

Statement of Net Assets Available for Benefits

December 31, 2003

|                                     | Participant-<br>Directed<br>Funds | Owens-Illinois<br>Company<br>Stock<br>Fund | Total             |
|-------------------------------------|-----------------------------------|--|-------------------|
| Investments in trust, at fair value | \$ 178,822                        | \$ 202,356                                 | \$ 381,178        |
| Participant loans                   | 76,794                            |  | 76,794            |
| Contributions receivable            | 6,579                             | 5,423                                      | 12,002            |
| Payments in transit                 | (1,000)                           | (426)                                      | (1,426)           |
| Loan Repayment Receivable           | 3,781                             | 1,447                                      | 5,228             |
| Cash, non-interest bearing          | 25,552                            | 3,733                                      | 29,285            |
| Receivable from trustee             | 12,399                            |  | 12,399            |
| Transfers pending                   | <u>1,325</u>                      | <u>(1,325)</u>                             | <u>-</u>          |
| Net assets available for benefits   | <u>\$ 304,252</u>                 | <u>\$ 211,208</u>                          | <u>\$ 515,460</u> |

*The accompanying notes are an integral part of the financial statements.*

Owens-Illinois Specialty Products Puerto Rico, Inc.  
Long-Term Savings Plan

Statement of Changes in Net Assets Available for Benefits, with Fund Information

Year Ended December 31, 2004

|  | Fund Information           |                                   | Total             |
|--|----------------------------|-----------------------------------|-------------------|
|  | Participant-Directed Funds | Owens-Illinois Company Stock Fund |                   |
| Net investment gain                                    | \$ 15,717                  | \$ 203,375                        | \$ 219,092        |
| Contributions:   |                            |                                   |                   |
| Participant  | 67,640                     | 22,424                            | 90,064            |
| Employer   | -                          | 30,894                            | 30,894            |
| Participant withdrawals                                | (3,618)                    | (14,429)                          | (18,047)          |
| Loan repayments  | (17,145)                   | 17,145                            | -                 |
| New loan transfers                                     | 15,438                     | (15,438)                          | -                 |
| Interfund transfers                                    | 6,203                      | (6,203)                           | -                 |
| Increase in net assets available for benefits          | 84,235                     | 237,768                           | 322,003           |
| Net assets available for benefits at beginning of year | 304,252                    | 211,208                           | 515,460           |
| Net assets available for benefits at end of year       | <u>\$ 388,487</u>          | <u>\$ 448,976</u>                 | <u>\$ 837,463</u> |

*The accompanying notes are an integral part of the financial statements.*

Owens-Illinois Specialty Products Puerto Rico, Inc.  
Long-Term Savings Plan

Statement of Changes in Net Assets Available for Benefits, with Fund Information

Year Ended December 31, 2003

|  | Fund Information           |                                   | Total             |
|--|----------------------------|-----------------------------------|-------------------|
|  | Participant-Directed Funds | Owens-Illinois Company Stock Fund |                   |
| Net investment gain (loss)                               | \$ 21,887                  | \$ (48,578)                       | \$ (26,691)       |
| Contributions:   |                            |                                   |                   |
| Participant  | 66,066                     | 21,122                            | 87,188            |
| Employer   | -                          | 31,089                            | 31,089            |
| Participant withdrawals                                  | (32,429)                   | (16,296)                          | (48,725)          |
| Loan repayments  | (11,860)                   | 11,860                            | -                 |
| New loan transfers                                       | 30,459                     | (30,459)                          | -                 |
| Interfund transfers                                      | (5,075)                    | 5,075                             | -                 |
| Increase (decrease) in net assets available for benefits | 69,048                     | (26,187)                          | 42,861            |
| Net assets available for benefits at beginning of year   | 235,204                    | 237,395                           | 472,599           |
| Net assets available for benefits at end of year         | <u>\$ 304,252</u>          | <u>\$ 211,208</u>                 | <u>\$ 515,460</u> |

*The accompanying notes are an integral part of the financial statements.*

Owens-Illinois Specialty Products Puerto Rico, Inc.  
Long-Term Savings Plan  
Notes to Financial Statements

**1. Plan Description**

General

The Owens-Illinois Specialty Products Puerto Rico, Inc. Long-Term Savings Plan (the "Plan") (formerly the Owens-Illinois de Puerto Rico Long-Term Savings Plan) was adopted by Owens-Illinois, Inc. for the benefit of eligible employees of its subsidiary, Owens-Illinois Specialty Products Puerto Rico, Inc. (Company). The Plan commenced on September 1, 1998. The eligible employees of Owens-Illinois Specialty Products Puerto Rico were allowed to participate beginning in April 1999.

The Plan is a defined contribution plan which provides eligible employees, upon completion of a probationary period, the opportunity to make pretax contributions, in specific percentages, within guidelines established by the Owens-Illinois Employee Benefits Committee. Participant contributions are immediately fully vested and may be divided at the participant's discretion among the various investment options from 1% to 100%, with no limit on the number of options selected. A participant may elect to change the percentage of annual compensation to be contributed monthly; any such changes shall be effective on the first pay period of the subsequent month. The following investment options are available to Plan participants:

Owens-Illinois Company Stock Fund  
Harbor Bond Fund  
Harbor Short Duration Fund  
Harbor Small Cap Growth Fund  
Harbor Large Cap Value Fund  
Harbor Capital Appreciation Fund  
Harbor International Fund  
Harbor International Growth Fund  
Harbor Money Market Fund

The above options provide for a wide range of investment opportunities with varying degrees of risk. The Harbor funds are part of the Harbor Fund, a no-load, open-end management investment company, consisting of twelve diversified mutual funds, registered under the Investment Company Act of 1940.

The following shows the amount the Company contributes to the Plan on behalf of each participant:

|                                 | <u>Employer match</u> |
|---------------------------------|-----------------------|
| Employee contributions up to 2% | 50%                   |
| Employee contribution 3-4%      | 25%                   |

Owens-Illinois Specialty Products Puerto Rico, Inc.  
Long-Term Savings Plan  
Notes to Financial Statements

All Company contributions are immediately fully vested. All Company contributions are invested in the Owens-Illinois Company Stock Fund. Additionally, Company matching contributions are not transferable from the Company Stock Fund while a participant is employed by Owens-Illinois.

Within certain limitations, a participant may also transfer into the Plan a rollover contribution or other assets from another qualified plan.

With certain exceptions, participants may transfer existing fund balances among the various investment funds once per quarter, with the transfer occurring on the first day of the subsequent quarter.

The benefit to which a participant is entitled is the benefit that can be provided from the vested value of the participant's account.

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of the Employee Retirement Income Security Act of 1974.

The above information is intended as a general description of the Plan's operating guidelines. Reference should be made to the Plan document for more specific provisions.

## **2. Summary of Significant Accounting Policies**

### Investment Valuation

Investments in the eight Harbor funds available to Plan participants are valued at the net asset values as established by the Harbor Fund. Shares of Owens-Illinois stock included in the Owens-Illinois Company stock fund are valued at quoted market price. Participant loans are valued at their outstanding balances, which approximate fair value.

### Income Tax Status

The Plan (formerly known as the Owens-Illinois de Puerto Rico Long-Term Savings Plan) was effective September 1, 1998. The Treasury Department of the Government of Puerto Rico issued a determination letter dated May 5, 1999, advising that the Plan meets the qualification requirements of section 1165(a) of the Puerto Rico Internal Revenue Code of 1994, as amended (the "Puerto Rico Code"). Once qualified, the Plan is required to operate in conformity with the Puerto Rico Code to maintain its qualified status. No issues are known to exist with respect to the Plan or as to the operation of the Plan that would materially affect the continued qualified status of the Plan.

Effective September 1, 2002, the Owens-Illinois de Puerto Rico Long-Term Savings Plan was renamed the Owens-Illinois Specialty Products Puerto Rico, Inc. Long-Term Savings Plan and at that time the Owens-Illinois de Puerto Rico, LLC Long-Term Savings Plan was spun-off from the Owens-Illinois Specialty Products Puerto Rico, Inc. Long-Term Savings Plan. No issues are known to exist with respect to the spin-off of the Owens-Illinois de Puerto Rico, LLC Long-Term Savings Plan that would materially affect the continued qualified status of the Plan under the Puerto Rican Code.

### Plan Expenses

Substantially all Plan expenses are paid by the Company.

### Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and

Owens-Illinois Specialty Products Puerto Rico, Inc.  
Long-Term Savings Plan  
Notes to Financial Statements

assumptions that affect the reported amounts of certain assets and liabilities and the reported amounts of certain additions and deductions during the reporting period. Actual results could differ from those estimates and assumptions.

Risks and Uncertainties

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits.

**3. Investments**

The Plan's investments are held in a trust (the "Trust") administered by Eurobank (the "Trustee").

|                                    | December 31,     |                  |
|------------------------------------|------------------|------------------|
|                                    | <u>2004</u>      | <u>2003</u>      |
| <u>Investments:</u>                |                  |                  |
| *Owens-Illinois, Inc. common stock | \$445,775        | \$202,356        |
| *Harbor Bond Fund                  | 77,290           | 55,769           |
| *Harbor Short Duration Fund        | 63,480           | 52,369           |
| Harbor Capital Appreciation Fund   | 29,122           | 26,620           |
| Harbor Large Cap Value Fund        | 21,140           | 15,772           |
| Harbor International Fund          | 19,128           | 13,457           |
| Harbor Money Market                | 12,724           | 12,610           |
| Harbor Small Cap Growth Fund       | 5,438            | 1,569            |
| Harbor International Growth Fund   | <u>1,318</u>     | <u>656</u>       |
|                                    | 675,415          | 381,178          |
| <u>Other:</u>                      |                  |                  |
| *Participant loans                 | <u>95,178</u>    | <u>76,794</u>    |
| Total                              | <u>\$770,593</u> | <u>\$457,972</u> |

\*Investments that represent 5% or more of the Plan's net assets available for benefits.

Owens-Illinois Specialty Products Puerto Rico, Inc.  
Long-Term Savings Plan  
Notes to Financial Statements

The investment earnings (loss) are as follows:

|                                  | Year Ended December 31, |                    |
|----------------------------------|-------------------------|--------------------|
|                                  | <u>2004</u>             | <u>2003</u>        |
| Interest and dividends           | \$ 11,411               | \$ 10,692          |
| *Appreciation (depreciation):    |                         |                    |
| Owens-Illinois, Inc common stock | 203,375                 | (48,578)           |
| Mutual funds                     | <u>4,306</u>            | <u>11,195</u>      |
| Net earnings (loss)              | <u>\$ 219,092</u>       | <u>\$ (26,691)</u> |

\* Based on quoted market prices

#### 4. Loan Fund

The Plan permits participants to borrow a portion of their existing account balances. Loans are made subject to certain conditions and limitations specified in the Plan and are repaid each pay period in installments, including interest. The maximum term of loans is five years, with the exception of home loans for the purchase of a primary residence, for which the maximum term is ten years. Participants' loans are collateralized by their account balances. The rate at which loans bear interest is established at the inception of the borrowing, based on the prime rate then being charged by the Trustee plus 1%. Repayments of loans, including the interest portion thereof, are reinvested on the participants' behalf in accordance with their current choice of investment options.

Owens-Illinois Specialty Products Puerto Rico, Inc.  
Long-Term Savings Plan

Employer Identification No. 66-0414062  
Plan No. 003

Schedule H, Line 4i-Schedule of Assets (Held at End of Year)

December 31, 2004

| Description   | Shares or<br>Principal<br>Amount | Cost             | Fair<br>Value    |
|---|----------------------------------|------------------|------------------|
| *Owens-Illinois, Inc.<br>common stock   | 19,681                           | <u>\$236,298</u> | \$445,775        |
| Harbor Bond Fund  | 6,533                            |                  | 77,290           |
| Harbor Short<br>Duration Fund   | 7,621                            |                  | 63,480           |
| Harbor Money Market<br>Fund   | 12,724                           |                  | 12,724           |
| Harbor Capital<br>Appreciation Fund   | 1,016                            |                  | 29,122           |
| Harbor Large Cap Value Fund   | 1,295                            |                  | 21,140           |
| Harbor International<br>Fund  | 448                              |                  | 19,128           |
| Harbor Small Cap Growth Fund  | 421                              |                  | 5,438            |
| Harbor International<br>Growth Fund   | 143                              |                  | <u>1,318</u>     |
|   |                                  |                  | 675,415          |
| *Participant loans -Interest rates<br>ranging from 5.00%<br>to 5.75%, various<br>maturity dates |                                  | <u>\$95,178</u>  | <u>95,178</u>    |
| Total   |                                  |                  | <u>\$770,593</u> |

\*Party-in-interest

Owens-Illinois Specialty Products Puerto Rico, Inc.  
Long-Term Savings Plan

Employer Identification No. 66-0414062  
Plan No. 003

Schedule H, Line 4j-Schedule of Reportable Transactions

Year ended December 31, 2004

| <u>Description</u>  | <u>Purchase<br/>Cost</u> | <u>Asset Disposals</u>    |             | <u>Gain</u> |
|---|--------------------------|---------------------------|-------------|-------------|
|   |                          | <u>Sales<br/>Proceeds</u> | <u>Cost</u> |             |
| <b><u>Category(iii) - series of transactions in excess of 5% of plan assets</u></b> |                          |                           |             |             |
| Owens-Illinois, Inc.<br>common stock  | \$71,089                 | \$31,047                  | \$11,546    | \$19,501    |

The purchase cost for each reportable transaction represents the fair value of the asset at the time of acquisition.

There were no category (i), (ii), or (iv) reportable transactions during 2004.

**Consent of Independent Registered Public Accounting Firm**

We consent to the incorporation by reference in the Registration Statement (Form S-8 No. 333-69624) pertaining to the Sixth Amended and Restated Owens-Illinois, Inc. Stock Purchase and Savings Program, the Fifth Amended and Restated Owens-Illinois, Inc. Long-Term Savings Plan, and the Owens-Illinois Specialty Products Puerto Rico, Inc. Long-Term Savings Plan of our report dated June 24, 2005, with respect to the financial statements and schedules of the Owens-Illinois Specialty Products Puerto Rico, Inc. Long-Term Savings Plan included in this Annual Report (Form 11-K) for the year ended December 31, 2004.

*Ernst & Young LLP*

Toledo, Ohio  
June 24, 2005